

## WHAT IS CLAIMED IS:

1. A method for verifying a check that is being used for an on-line transaction, comprising:

entering in, by a customer using a computer, data obtained from a MICR line of the check, the data including a one-way hash value that is based on the data provided on the MICR line as well as private data not provided on the MICR line;

receiving, by a web server of a merchant for which the customer seeks to make the on-line transaction, the data entered by the customer, the data being received by way of a computer network;

transmitting, by the web server of the merchant to a check verifier by way of the computer network, the data entered by the customer; and

verifying, by the check verifier, whether or not the check is valid,

wherein the verifying is performed by the check verifier computing a hash value based on the data entered by the customer and provided to it by the web server, as well as private data of the customer that is obtained from a database accessible by the check verifier.

2. The method according to claim 1, wherein the one-way hash value is included as an n-digit field at one end of the MICR line, n being an integer greater than one.

3. The method according to claim 1, wherein the entering in step includes entering in the private data by the customer,

wherein the check verifier verifies the check based on the computed hash value, and the check verifier authenticates the customer by comparing the private data entered by the customer with the private data obtained from the database, to determine if there is a match.

4. A check verification system for verifying a check used by a customer for paying for a transaction conducted over the Internet, comprising:

a check printer that prints checks based on information provided thereto, the information including a MICR line that includes an ABA number of a bank, a customer account number, and a one-way hash value,

wherein the check printer prints the information on the MICR line based on information provided from the bank, the information including an n-digit personal code that is not printed on the check.

5. The check verification system according to claim 4, wherein the MICR line further includes a value corresponding to a check number.

6. The check verification system according to claim 4, further comprising:  
a check verifier that verifies checks based on the information on the MICR line provided to the check verifier by an entity desiring verification of a check presented for payment,

wherein the check verifier computes a hash value for the check based on the information on the MICR line, along with information not on the MICR line that is separately provided to the check verifier from a database accessible by the check verifier via the Internet.

7. A self-authenticating check used by a customer for paying for a transaction conducted over the Internet, comprising:

a MICR line, said MICR line including:

an ABA number;

a customer account number;

a check number; and

a one-way hash value,

wherein the one-way hash value is computed by a one-way hash algorithm that uses the ABA number, the customer account number, the check number, and a personal identification number that is not included on the MICR line, and

wherein the one-way hash value is used to verify the check for the on-line transaction.

8. The self-authenticating check according to claim 7, wherein the one-way hash value is printed at one end of the MICR line.

9. The self-authenticating check according to claim 7, wherein said MICR line further includes a product code value that provides information regarding an account from which the check is to be drawn against, and

wherein the one-way hash value is computed based in part on the product code value.